



## ASX Announcement / Media Release

22 September 2010

### Fast Facts

ASX Code: SCR  
SCRO

### Capital Structure

Shares on issue: 63.35m  
Options on issue: 66.0m (ex 20c – 75c)  
Market cap: \$10m (undiluted)

### Financial Position

Cash: \$5.76 m (June 2010)

### Board of Directors

Damian Hicks Chairman  
Olof Forslund Technical Director  
Ian Gregory Director &  
Company Secretary  
Paul Thomas Non-executive Director

### Primary Projects

#### Sweden

Kiruna Iron  
Swampy Mountain Iron-copper-gold & PGE

#### Norway

Lake Embrace Copper-lead-zinc

### Project Pipeline

#### Commodities

Manganese  
Gold  
Copper  
Copper-gold  
Copper-lead-zinc

### Completion of Tasman Metals Transaction

Scandinavian Resources Ltd (ASX: SCR) is pleased to announce completion of the joint venture agreement with Tasman Metals Limited (TSXV: TAS) previously announced to the ASX on 28 June 2010.

The iron permit Sautusvaara nr 1 has recently been renewed and therefore in compliance with the agreement Scandinavian Resources has issued Tasman Metals with 294,118 ordinary fully paid ordinary shares (voluntarily escrowed to 15 March 2011) and paid the sum of AUD28,627.

### Incentive Options to Exploration Manager

The Board of Scandinavian Resources resolved to issue Mrs Amanda Arrowsmith, Exploration Manager with 400,000 options exercisable at 25 cents, 300,000 options exercisable at 50 cents and 300,000 options exercisable at 75 cents. The expiry date for the options is 30 June 2013.

The attached Appendix 3B details both equity issues.

### Contacts:

Damian Hicks  
Chairman  
Scandinavian Resources  
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Karen Oswald  
Professional Public  
Relations  
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EXPLORING THE SCANDINAVIAN SHIELD

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ACN: 132 035 842 ASX: SCR

**Scandinavian Resources Ltd (ASX: SCR)**

By way of introduction Scandinavian Resources':

- strategy is to 'incubate' a highly prospective portfolio of iron, manganese, gold, PGE and base metals projects in Scandinavia (primarily Sweden and Norway).
- cornerstone investor is S&P/ASX Top 200 company, OM Holdings Ltd (ASX:OMH).
- Technical Director Mr. Olof Forslund was previously Regional Manager of the Geological Survey of Sweden's Mineral Resources Information Office in Malå, Sweden.
- is the 11th largest landholder (by area) of minerals exploration projects in Sweden and one of the largest landholders in the world class Kiruna IOCG District.
- exploration projects are the Kiruna iron Project (Kiruna District, Sweden), Lake Embrace copper-lead-zinc-silver Project (Nordland District, Norway) and Swampy Mountain iron-copper-gold plus PGE Project (Skellefte District, Sweden).
- flagship Kiruna iron Project is 30km from the 2Bt Kiruna iron mine (owned by LKAB) – the world's largest and most modern underground iron mine.
- 'pipeline' of projects cover manganese, gold, copper-gold and lead-zinc prospects in Sweden and Norway.
- Raised AUD6.7 million through an Initial Public Offering and was granted admission to the ASX in April 2010

Please visit [www.scandinavianresources.com](http://www.scandinavianresources.com) for a detailed summary of the Company's projects.

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

SCANDINAVIAN RESOURCES LTD

ABN

99 132 035 842

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | (1) Fully Paid Ordinary Shares<br>(2) Unlisted Options  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | (1) 294,118 Fully Paid Ordinary Shares<br>(2) a) 400,000 Unlisted Options<br>b) 300,000 Unlisted Options<br>c) 300,000 Unlisted Options   |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (1) Fully Paid Ordinary Shares escrowed until 15 March 2011.<br>(2) a) Options are exercisable at 25cents on or before 30 June 2013.<br>b) Options are exercisable at 50 cents on or before 30 June 2013 (vesting 22 September 2011).<br>c) Options are exercisable at 75cents on or before 30 June 2013 (vesting 22 September 2012). |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>(1) Ordinary shares will rank equally with existing ordinary shares.</p> <p>(2) No- The shares issued upon exercise will rank equally with existing ordinary shares</p>						
<p>5 Issue price or consideration</p>	<p>(1) 17 cents each  (2) Nil</p>						
<p>6 Purpose of the issue  (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>(1) Issued to Tasman Metals Limited (TSXV: TAS) on confirmation of renewal of Sautusvaara nr 1 permit.</p> <p>(2) Issued to Amanda Arrowsmith, Exploration Manager in accordance with remuneration package.</p>						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>22 September 2010</p>						
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="695 1478 994 1518">Number</th> <th data-bbox="994 1478 1281 1518">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="695 1518 994 1585">37,004,966</td> <td data-bbox="994 1518 1281 1585">Fully Paid Ordinary Shares</td> </tr> <tr> <td data-bbox="695 1585 994 1736">33,804,968</td> <td data-bbox="994 1585 1281 1736">Options exercisable \$0.25 each on or before 31 October 2011</td> </tr> </tbody> </table>	Number	+Class	37,004,966	Fully Paid Ordinary Shares	33,804,968	Options exercisable \$0.25 each on or before 31 October 2011
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37,004,966	Fully Paid Ordinary Shares						
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+ See chapter 19 for defined terms.

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	20,133,335	Fully paid ordinary shares classified as restricted securities escrowed to 21 April 2012.
	5,333,342	Fully paid ordinary shares classified as restricted securities escrowed to 9 October 2010.	
	588,235 <sup>(5)</sup>	Fully Paid Ordinary Shares escrowed until 28 November 2010	
	294,118	Fully Paid Ordinary Shares escrowed until 15 March 2011	
	8,533,340	Options exercisable at \$0.20 each on or before 31 October 2012 classified as restricted securities escrowed to 9 October 2010.	
	20,133,334	Options exercisable at \$0.20 each on or before 31 October 2012 classified as restricted securities escrowed to 21 April 2012.	
	2,500,000	Options exercisable at \$0.20 each on or before 31 August 2011 classified as restricted securities escrowed to 21 April 2012.	
	400,000	Options exercisable at \$0.25 each on or before 30 June 2013	
	300,000	Options exercisable at \$0.50 each on or before 30 June 2013 vesting on 22 September 2011.	
300,000	Options exercisable at \$0.75 each on or before 30 June 2013 vesting on 22 September 2012.		
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

+ See chapter 19 for defined terms.

## Part 2 - Bonus issue or pro rata issue

- 11 Is security holder approval required?
- 12 Is the issue renounceable or non-renounceable?
- 13 Ratio in which the +securities will be offered
- 14 +Class of +securities to which the offer relates
- 15 +Record date to determine entitlements
- 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?
- 17 Policy for deciding entitlements in relation to fractions
- 18 Names of countries in which the entity has +security holders who will not be sent new issue documents
- Note: Security holders must be told how their entitlements are to be dealt with.  
Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations

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+ See chapter 19 for defined terms.

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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32 How do +security holders dispose of their entitlements (except by sale through a broker)?

33 +Despatch date

**Part 3 - Quotation of securities**

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

**Entities that have ticked box 34(a)**

**Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

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+ See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38 Number of securities for which  
+quotation is sought

39 Class of +securities for which  
quotation is sought

40 Do the +securities rank equally in  
all respects from the date of  
allotment with an existing +class of  
quoted +securities?

If the additional securities do not  
rank equally, please state:

- the date from which they do
- the extent to which they  
participate for the next dividend,  
(in the case of a trust,  
distribution) or interest payment
- the extent to which they do not  
rank equally, other than in  
relation to the next dividend,  
distribution or interest payment

41 Reason for request for quotation  
now

Example: In the case of restricted securities, end of  
restriction period

(if issued upon conversion of  
another security, clearly identify  
that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in clause 38)		

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+ See chapter 19 for defined terms.

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

5 These shares were previously recorded as quoted securities in Appendix 3B on 28 June 2010 and 4<sup>th</sup> Quarter Activities report on 30 July 2010.

Damian Hicks  
Chairman  
22 September 2010

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+ See chapter 19 for defined terms.